



EX PARTE LATE FILED

DOCKET FILE COPY ORIGINAL

RECEIVED
FEB 9 1998
FCC MAIL ROOM

DOCKET FILE COPY ORIGINAL

VIA COURIER

February 6, 1998

Magalie Roman Salas, Esq., Secretary
Federal Communications Commission
1919 M Street, NW Room 200
Washington, DC 20554

RE: *In Re Federal-State Joint Board on Universal Service* (CC Docket No. 96-45)

In Re Federal-State Joint Board on Universal Service (CC Docket No. 96-45, Report to Congress)

In Re Changes to the Board of Directors of the National Exchange Carrier Association, Inc. (CC Docket No. 97-21) ✓

In Re FCC Form 457, Universal Service Worksheet, Extension of a Currently Approved Collection Under the Paperwork Reduction Act of 1995, OMB Control No. 3060-0768, 62 Fed. Reg. 44966

Dear Ms. Salas:

Yesterday, Angela E. Giancarlo, Esq., of the Personal Communications Industry Association ("PCIA") and Christine M. Crowe, Esq., of Paul, Hastings, Janofsky & Walker, met with Irene Flannery, Maryanne McCormick, Lori Wright, and Diane Law of the Common Carrier Bureau and Jeanine Poltronieri and Tejal Mehta of the Wireless Telecommunications Bureau. In the course of the meeting, the participants' discussion included issues related to the above-referenced proceedings.

A written presentation was provided to each of the participants and served as the basis for our discussion. A copy of that presentation is attached hereto.


Magalie Roman Salas, Esq.

February 6, 1998

Page Two

Pursuant to §1.1206(b) of the Commission's rules, two copies of this letter are hereby filed with the Secretary's office and a copy of this filing is being sent today to the FCC staff members present during the meeting. Kindly refer questions in connection with this matter to the undersigned.

Respectfully submitted,

A handwritten signature in cursive script, reading "Angela E. Giancarlo".

Angela E. Giancarlo, Esq.
Government Relations Manager

Attachment

cc: Irene Flannery
Diane Law
Maryanne McCormick
Tejal Mehta
Jeanine Poltronieri
Lori Wright

**PRESENTATION OF THE
PERSONAL COMMUNICATIONS INDUSTRY ASSOCIATION
ON UNIVERSAL SERVICE FUND OBLIGATIONS**

500 Montgomery Street
Suite 700
Alexandria, VA 22314
(703) 739-0300

- PCIA Has Served as Liaison Between Several of its Members and the FCC's Staff During the Process of Implementing the Universal Service Fund Program and Compliance with Reporting and Contribution Obligations.
- PCIA Has Received Numerous Inquiries from its Members Regarding Items on the FCC Form 457 Worksheet and in the Commission's Rules Which the Members Have Found Ambiguous, and Which Made Compliance with Reporting Obligations More Difficult.
- Guidance with Respect to Several Issues Is Critical to Continued Compliance with Universal Service Obligations.
 - The Commission should revise the FCC Form 457 as soon as practicable (after opportunity for notice and comment) to eliminate the existing ambiguities.
 - If the Commission is not able to revise the Form 457 prior to the next filing deadline, it should issue a Public Notice providing guidance on these issues prior to such deadline.

- Guidance and/or Revision of FCC Form 457 with Respect to Several Items is Critical:
 - The definition of interstate service and calculation of interstate revenues is ambiguous with respect to wireless services, and has made it difficult for carriers to complete the FCC Form 457 worksheet.
 - The lack of guidance regarding which carriers are required to file and the ability to consolidate filings has resulted in needless extra efforts by carriers to satisfy filing requirements.
 - The obligations of resellers to comply with reporting and contribution requirements have not been clearly set forth, thereby imposing upon facilities-based carriers an implied obligation to enforce the Commission's rules.
 - Procedures for entities falling within the *de minimis* exemption have not been clearly established, resulting in carriers receiving letters of inquiry and/or bills from the fund administrator.
 - The Form 457 currently requires filers to supply information concerning revenues not subject to universal service obligations; this information is not relevant and disclosure should not be required.
 - The Form 457 currently presumes the use of accounting mechanisms that are not employed by many wireless service providers; the form should be modified to eliminate this presumption.
 - The Form 457 requires filers to report total "billables," without any allowances for uncollectibles; this is not consistent with standard practice definitions of "revenues."
 - The Form 457 should clarify that certain billing and collection revenues, such as activation charges, are excluded from the eligible revenue base.